State of Alaska Department of

Transportation and Public Facilities

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FOR IMMEDIATE RELEASE: October 1, 1997 97-298

KNOWLES ANNOUNCES RESUMPTION OF PRINCE RUPERT FERRY SERVICE

Canadians Agree to Requests for Safety Assurances, Compensation Plan

Following agreement with Canadian officials on safety and compensation issues, Gov. Tony Knowles announced today the Alaska Marine Highway Service will resume service into Prince Rupert in December. Alaska ferry traffic to the British Columbia port has been suspended since July 19 following an illegal blockade of the state ferry *Malaspina* by Canadian fishermen.

"Good neighbors mend fences," Knowles said. "Our discussions with Canadian Fisheries Minister David Anderson and Prince Rupert Mayor Jack Mussallem have resulted in an agreement which I feel is sufficient to resume this service that is important to both sides of the border. I am satisfied with their assurances for safe passage of our vessels, their pledge to promptly respond to any future incidents, and progress made on the compensation issues, including Prince Rupert's commitment to spend half a million dollars to counter adverse publicity stemming from the blockade."

Included as parts of the agreement are:

- A letter from Minister Anderson instructing the Canadian Coast Guard to cooperate with local authorities to preserve the safety and right of passage of vessels in Canadian waters.
- Continued work toward finalization of an Emergency Response Plan by the City of Prince Rupert to provide for swift action to release any vessel should any similar illegal action take place.
- A commitment by Prince Rupert to spend \$500,000 over five years on a marketing effort aimed at independent travelers promoting the link between Prince Rupert, Northwest B.C., Southeast Alaska and the Yukon.

• A written request by the City of Prince Rupert for an apology and compensation for passengers delayed aboard the *Malaspina* during the July incident from B.C. Premier Glen Clark.

The State of Alaska, meanwhile, will continue to seek actual damages incurred during the July incident from the individual fishermen who participated in the illegal action. No date has been set for future court action. The State recently granted a request for an extension for fishermen to seek bonding against a future court decision until mid-October.

Regarding the fishing issue cited as the pretext for the blockade, Minister Anderson noted: "This is an issue separate from the concern for travel and tourism. I firmly believe fisheries issues should be dealt with on their own merits, and not spill over to the detriment of our citizens and the economies of British Columbia and Alaska." Anderson also noted both governments are committed to an ongoing process to resolve the fishing dispute.

"Alaska is not changed in its resolve to seek a fair agreement over the fishing issues between Alaska and Canada," Knowles said. "I still believe the stakeholder process offers the best opportunity to reach agreement on these complex issues. I'm optimistic that the cooperative approach used in reaching this agreement over ferry service can serve as the precedent for resolving these other longstanding issues."

Knowles made the announcement at an Anchorage news conference this morning before speaking to the annual convention of the Alaska Visitors' Association, where he was to repeat the announcement to leaders of Alaska's visitor industry.